Declassified in Part - Sanitized Copy Approved for Release 2011/12/21: CIA-RDP90-00965R000706310003-5

ASSOCIATED PRESS 30 May 1986

CASEY ACKNOWLEDGES BACKLOG IN SECURITY RECHECKS FOR INTELLIGENCE WORKERS WASHINGTON:

STAT

STAT

CIA Director William Casey acknowledges that, despite rising concern over intelligence leaks, every U.S. intelligence agency he oversees is behind schedule in reinvestigating its employees for security risks.

Casey blamed a recent spate of intelligence leaks on "a breakdown in discipline in the government, primarily." But he said to solve the problem officials need for news organizations to exercise restraint in publishing secrets leaked to them, while the government tries to get its own house in order.

Casey spoke with The Associated Press in a unique joint interview at CIA headquarters on Thursday. Appearing with him were Lt. Gen. William Odom, director of the National Security Agency, and CIA Deputy Director Robert MSTAT Sates.

STAT

During the interview, the officials played down their recent threats of criminal prosecution against news organizations which print secrets about the gathering of communications intelligence and even backed off slightly from a warning they had issued only the night before to reporters covering the espionage trial of former NSA communications expert Ronald Pelton.

Casey said, "We recognize that the first line of defense is to increase discipline within government itself, to control the flow of sensitive information within the government."He was asked whether the U.S. intelligence agencies he supervises as director of central intelligence, which includes virtually all of them, were years behind schedule in conducting routine new polygraph tests and background checks of their employees.

"I think they're behind schedule, yeah. But it varies how far," Casey said.

Odom responded: "That's the kind of question I don't want to pursue."Last year, the government admitted in federal court that Larry Wu-tai Chin, a Chinese communist spy inside CIA for three decades, had taken only one polygraph

test after he was employed, although CIA tries to redo them every five years. Chin passed the test, even though he had amassed extensive personal holdings that could have been picked up by a reinvestigation.

Nevertheless, Casey said, "We're adding resoures right along. It's a long process. You've got to train polygraphers."The Pentagon, which trains the largest number of government polygraph operators, has testified that it can only manage to conduct 3,500 additional tests each year. There are 4.3 million federal employees with access to classified information.

"It's not something we can do overnight," Gates said. "But efforts are under way." Casey said he and Odom had taken extraordinary steps in the last several weeks to dissuade news organizations from publishing intelligence secrets because: "Every method we have of obtaining intelligence _ our agents, our relationships with other intelligence services, our photographic, our electronic, our communications capabilities _ have been damaged. Everyone of them has been severely damaged by disclosures of sensitive information that lets our adversaries defeat those capabilities and to literally take them away from use.

Seritared

"This is costing the taxpayers billions and billions of dollars and, more importantly, Americans' and our national security are at risk. "Casey and Gates both said there were agents who had not been heard from after their intelligence-gathering operations had been disclosed in this country. They declined to provide details.

Complaining that news organizations had unfairly accused the government of trying to restrict freedom of the press. Gates described what the intelligence officials were seeking.

"What we're after is ... an acceptance of the notion that the media does have a responsibility to the country to be careful about these kinds of things.

"And second, to convey to you all that when you hear these things which we are trying to stop coming out of the government ... that you be willing to consult with us. Hopefully if it is a serious problem we can persuade you not to use it at all. But if you insist on going ahead... to try to develop a way of conveying what you want to say that minimizes the damage and the risk to our sources. "The interview came as administration sources, insisting on anonymity, described the Justice Department as extremely reluctant to comply with Casey's recent request that NBC News be prosecuted for reporting that Pelton told the use of American submarines.

The Justice Department has used the law only against government employees who spied and never against a news organization, and the sources said Justice believed it would be very difficult to convict a news organization.

A day earlier, Casey and Odom had cautioned reporters at the Pelton trial in Baltimore "against speculation and reporting details beyond the information actually released at trial. "Legal experts inside and outside the government quickly pointed out that the government had no power to regulate "speculation" by news organizations.

Although they complained about the criticism of their statement, both Casey and Odom tempered the remarks a bit on Thursday.

"If I had it to do over again, I might not use that word, "Casey said. "I might use 'extrapolation."'Odom added, "There's nothing in there that says we're going to try to prosecute anybody based on speculation."White House spokesman Edward Djerejian told reporters today, "Speculation is a very loose term and in no way do we mean to imply by the use of speculation prior press censorship or in any way infringing on the freedom of the press to report information and events. I do agree that a better word than speculation could have been found. "Casey and Odom were asked why in the Pelton trial the government is attempting to protect information that is widely known to U.S. reporters and widely believed to be known to the Soviet Union _ such as the wiretapping by U.S. agents of telephones at the Soviet Embassy here.

Odom said the government was faced with the danger of giving up a series of seemingly innocuous pieces of information "fact by fact until you cross through the line without ever knowing it, and the accumulation of facts adds up to a new body of information."